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The situation in Central America: procedures for the establishment of a firm and lasting peace and progress in fashioning a region of peace, freedom, democracy and development

The situation in Central America

Report of the Secretary-General

I. Introduction

1. The present report is submitted pursuant to General Assembly resolution 53/94 of 7 December 1998. It covers developments relating to progress achieved by Central American countries in the areas of peace, freedom, democracy and development since the publication of my previous report (A/53/315).

2. The General Assembly has discussed the situation in Central America every year since 1983. With the signing, on 7 August 1987, of the agreement known as Esquipulas II (A/42/521-S/19085, annex), the Presidents of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua undertook to initiate processes of democratization and national dialogue in their countries, to bring about ceasefires and to promote free and fair elections. In February 1989 the Presidents called upon the United Nations to become involved in the verification of those agreements. Since that time, the Organization has devoted considerable resources to supporting the efforts of the Central American countries to consolidate their progress towards peace, freedom, democracy and development.

3. Two important peacekeeping missions have been carried out in Central America under the authority of the Security Council: the United Nations Observer Group in Central America (November 1989-January 1992) and the United Nations Observer Mission in El Salvador (ONUSAL) (July 1991-April 1995). By its resolution 1094 (1997) of 20 January 1997, the Council also authorized the attachment of a group of military observers to the United Nations Mission for the Verification of Human Rights and of Compliance with the Commitments of the Comprehensive Agreement on Human Rights in Guatemala (MINUGUA) to verify the demobilization of combatants of the Unidad Revolucionaria Nacional Guatemalteca (URNG) (March-May 1997).

4. For its part, the General Assembly authorized the United Nations Observer Mission to Verify the Electoral Process in Nicaragua (August 1989-April 1990) and, on 19 September 1994, adopted resolution 48/267, establishing MINUGUA. After Guatemala's "firm and lasting peace" was signed on 29 December 1996 (A/51/796-S/1997/114, annex II), the Assembly authorized, by its resolution 51/198 B of 27 March 1997, the renewal of the mandate of MINUGUA, thereafter known as the United Nations Verification Mission in Guatemala, and the expansion of its mandate to verify all the peace accords.

5. Meanwhile, following the completion of the mandate of ONUSAL, a smaller mission, the Mission of the United

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Nations in El Salvador (MINUSAL), was established on 1 May 1995. MINUSAL was in turn replaced, on 1 May 1996, by the United Nations Office of Verification in El Salvador, which, pursuant to resolution 51/199 A of 17 December 1996, was further reduced to a support unit, from 1 January to 30 June 1997 and thereafter, pursuant to resolution 51/199 B of 31 July 1997, to a unit of two internationally recruited Professionals within the office of the United Nations Development Programme (UNDP) in El Salvador until 31 December 1997. This unit was entrusted with the role of following up on outstanding elements of the peace accords, while the verification and good offices responsibilities of the Organization would continue to be carried out by Headquarters. During 1998, this unit was further reduced in size, and its mandate was extended for a final six-month period, as recommended in my letter dated 15 December 1997 to the President of the General Assembly (A/52/731).

6. In my letter dated 7 August 1998 (A/52/1008), I informed you of the closure of the unit in El Salvador on 30 June of that year, having entrusted follow-up of pending issues to UNDP after consulting with the parties to the agreements. Most programmes and agencies of the United Nations system continue to provide technical assistance to Central America within country programmes or regional frameworks.

7. In its resolution 53/94, the General Assembly made reference to "a new stage of consolidating peace and democracy in Central America", and requested the Secretary-General to lend his full support to the respective Governments in the implementation of a new, comprehensive sustainable development programme and the initiative to establish the Central American Union.

8. While the present report concentrates on the five signatories to the Esquipulas process, reference is also made to the situation in Panama and Belize, in accordance with the new Central American agenda and the composition of Central American summit meetings.

II. Central American process

9. In the presentation of their joint resolution regarding the situation in Central America, the Central American Presidents reminded us of the resounding success of the peace process in the twelfth year since Esquipulas II, made clear by the striking contrast between the conflictive regional crisis in 1983 and the present situation, noting that the interim witnessed, among other advances, the consolidation of more pluralistic and participatory political regimes and the gradual development of a democratic culture and respect for human rights. The Presidents also noted the successive contributions of the Contadora Group (later, the Rio Group), of bilateral support, of the various Groups of Friends and of the United Nations in facilitating the efforts of Governments and civil society. While noting with great satisfaction this positive evolution, however, the Presidents emphasized the need for the continuing support of the international community in general and of the United Nations in particular.

10. Important related developments during the past year are presently reviewed, encompassing national electoral processes, public security, human rights, human development, the impact of Hurricane Mitch, regional and extraregional trade and cooperation, the role of regional and hemispheric institutions and bilateral issues.

Electoral processes

11. It is further testimony to the gains of the peace process that, in spite of formidable challenges to stability, including the devastation caused by Hurricane Mitch, increasingly plural and democratic political processes continued to develop in the region. New Governments were democratically elected in Belize on 26 August 1998, in El Salvador on 7 March 1999 and in Panama on 2 May 1999. In Panama, a new Government will oversee the transfer of the Panama Canal to full national control by the end of the year in a process that is being conducted according to an agreed timetable. In Guatemala, a national referendum on constitutional reform was peacefully and transparently conducted on 16 May, and political campaigns have begun for national elections to be held in November. Those processes are a welcome sign of strengthened democratic regimes in the region. High participation in the recent Panamanian elections (76 per cent) continues to be an exception, however, and it is hoped that national and regional attention will be increasingly focused on mechanisms to broaden and strengthen citizen participation in the electoral and other political processes, in particular with regard to women and indigenous peoples. The vitality and inclusiveness of democratic governance in Central America is a fundamental counterpart to ongoing efforts to achieve economic growth, stability and equity.

Public security and human rights

12. Public security in the region is threatened by the continued escalation in the rate of common crime and social violence, compounded by regional and international criminal networks. Irregularities and long delays in the processing of accused persons undermine public confidence in the judicial process. At the same time, there are also troubling cases of threats to members of the judiciary in connection with the prosecution of suspected criminals. There are also troubling instances of attacks by vigilante groups on persons suspected of common crimes and indications in some cases of intentional acts of "social cleansing". Violence against women continued to be an acute problem, although institutions have been created or strengthened to protect the security and rights of women. Civilian police forces with limited resources have struggled to respond adequately to the public security crisis and have suffered increasing losses of officers in the line of duty, particularly in El Salvador.

13. In spite of these trends, important advances were made in bringing public security forces under civilian control. To this end, in El Salvador the Government has sought to strengthen prevention policy and to affirm the role of the National Council for Public Security. In Honduras, the National Assembly ratified reforms in January and February 1999 that consolidate the transition to civilian command of the armed forces, and the Government has demonstrated a strong commitment to consolidate this vital transition. In Guatemala, the process of strengthening the capacity and expanding the deployment of Guatemala's new National Civil Police continues, in particular with regard to the rural indigenous population, while constitutional reforms designed to redefine the role of the military in accordance with the Peace Agreements are still pending. With regard to judicial institutions, at the fourth meeting of the Central American Judicial Council in August, presidents and magistrates of the Central American supreme courts expressed concern regarding the lack of public confidence in the judicial process and discussed the causes of continuing delays in the application of justice, evidenced by the presence of thousands of accused who languish in prison without sentencing. The Council recognized that improvements have been made in modernizing the judicial system, but urged further efforts to achieve prompt and effective justice.

14. Of particular importance given the pressures challenging the institution-building process is the role of the ombudsmen who are crucial for the vigilance and accountability of democratic institutions in the area of human rights. At the ninth meeting of the Central American Council of Ombudsmen in February, the ombudsmen issued a collective call to their respective Governments to ensure unconditional respect for their functions, bearing in mind their principal role as magistrates of conscience in representation of civil society and in defence of democracy and the rule of law. It is hoped that the crucial independence of this institution in the countries where it is present and of other institutions responsible for ensuring public accountability of government actions will be strengthened and protected so that they might perform their fundamental role of protecting human rights and as a pillar of citizen confidence in Government. A concrete advance in this regard, related directly to the peace process in Guatemala, is the recent establishment of the Office for the Defence of Indigenous Women.

15. Regional and extraregional cooperation on a range of shared security and human rights issues, including illegal drug trafficking, migration, anti-personnel landmines and arms trafficking, have been recurring themes addressed through the presidential and ministerial summit process, including a meeting with the Presidents of the United States of America (March), the European Union (May/June) and the Organization of American States (OAS) (June). In January the Secretary-General of the Central American Integration System (SICA) signed an agreement of cooperation with the International Migration Organization, complementing the Regional Conference on Migration and the Plan of Action signed in Panama in 1997. Joint action will occur in a number of areas, including regional norms development and the human rights of the migrant population, with a focus on women and children.

Peace and human development

16. In its State of the region report released in July, UNDP noted with concern trends in human development that challenge the fragile consolidation of peace. Across the region there are indications of a growing gap in human development between zones of relative affluence in the capitals and principal cities and the extreme poverty of marginalized rural and urban areas. There are related patterns of social inequality and exclusion between social groups, reflected in regional data on distribution of income and access to employment, health and education. Indigenous peoples, representing 20 per cent of the Central American population (80 per cent of whom live in Guatemala), and women, in particular, suffer high rates of socio-economic and political exclusion. The regional gender-related development index is only 60.3 in comparison with an overall human development index of 64.8, reflecting relative

disadvantages faced by women in terms of human development. The Central American Governments must also contend with regional disparities among their countries in terms of human development, economic performance and their respective political and legal frameworks, all of which are obstacles to achieving integrated and sustainable arrangements for economic growth and stable political processes.

Impact of Hurricane Mitch

17. The reconstruction and transformation process following Hurricane Mitch, the worst natural disaster to strike the region in over a century, dominated the regional agenda during the past year. An emergency summit was convened in El Salvador on 9 November 1998 during which the Central American Presidents began to assess the impact. A later report by the Economic Commission for Latin America and the Caribbean (ECLAC) revealed that the hurricane left more than 9,000 dead and affected 24 per cent of the regional population, or almost 7 million people, including 77 per cent of the population of Honduras and 19 per cent of the Nicaraguan people. The disaster laid bare the extreme vulnerability of the poor, in particular women and children, who were among the most affected. The displacement and migration of victims, principally to Costa Rica and the United States, was an additional regional consequence (see A/54/130). Following their emergency meeting in November, the Presidents called upon the international community to support the efforts of the region to preserve the achievements made before the hurricane and to convene an advisory group for assistance in elaborating and implementing a rehabilitation and reconstruction plan (see A/53/656, annex).

18. Coordination of the international response began through the Inter-American Development Bank (IDB), which convened the first meeting of the Consultative Group on Reconstruction and Transformation on 10 and 11 December 1998 in Washington, D.C. The international community pledged $6 billion in disaster relief, reconstruction assistance and debt forgiveness. Subsequent special meetings of the Central American Presidents were held in February and March 1999. The latter summit took place in Antigua, Guatemala, with the participation of the President of the United States. The resulting Antigua Declaration, adopted on 11 March, recognizes the impact of Hurricane Mitch and, in supporting the reconstruction and transformation initiative, reaffirms shared values of democracy, the free market, respect for human rights and fundamental liberties, the rule of law, the struggle against international crime and a commitment to environmental protection. The leaders commended legislative measures taken by the United States to permit Nicaraguans and Hondurans to live and work there temporarily as a result of the disaster.

19. At the follow-up meeting of the Consultative Group on Reconstruction and Transformation, held in Stockholm from 25 to 28 May, pledges for $9 billion were made, exceeding expectations. Those pledges included $5.3 billion from the World Bank and IDB, and the remainder were in the form of bilateral assistance. Consistent with the damage they suffered, Honduras and Nicaragua will receive a proportionately larger share of the assistance. In addition to national proposals, the Central American countries presented a joint reconstruction plan within the framework of SICA, representing the combined efforts of ECLAC, social and economic interest groups and international organizations. The strategy put forward by SICA focuses on reducing environmental, economic and social vulnerabilities and on deepening the Central American integration process. At the same meeting, the Central American Indigenous Council presented a regional strategy that specifically addresses the response to the disaster from the perspective of indigenous peoples. A portion of the funds had also been requested to assist Costa Rica in dealing with thousands of mainly Nicaraguan refugees, who have benefited from a temporary amnesty that expired on 31 July.

20. The Stockholm Declaration expresses the shared commitments of participants in the second meeting of the Consultative Group on Reconstruction and Transformation: reduction of the social and ecological vulnerability of the peoples of the region as the principal objective; the reconstruction and transformation of Central America on the basis of an integrated focus on transparency and governability; consolidation of democracy and good governance to reinforce the process of decentralization with the active participation of civil society; promotion of human rights as a permanent objective, with special attention to gender equality and the rights of children and of ethnic groups; coordination of donor activities; and renewal of efforts to reduce the external debt of countries in the region.

Regional and extraregional trade and economic cooperation

21. According to ECLAC, the gross national product (GNP) for the Central American region grew by 4.4 per cent compared with 4.3 per cent in 1997. Influencing this slight improvement was the growth of external demand, capital

inflows from the exterior and a sustained effort to increase capital investment. Nevertheless, the growth rate was less than that predicted at the beginning of the year owing to the adverse climatic conditions that reigned in the region in 1998 and especially the production losses caused by Hurricane Mitch. The disaster provoked a 2.4 per cent decrease in annual GNP in Honduras and a 1.8 per cent decrease in Nicaragua, owing to economic losses in the last half of the year. These losses were only partially offset by greater than expected growth in Costa Rica.

22. The capacity of Governments to transform underlying structural problems in order to permit sustainable economic growth depends in particular on reducing the burden of external debt. A June 1999 meeting of the Group of Eight countries provided an important opportunity to take action on this issue, resulting in commitments of substantial relief, particularly for Honduras and Nicaragua, which are also being considered for inclusion in the International Monetary Fund (IMF)-World Bank heavily indebted poor country initiative. It is hoped that debt relief will not come at the expense of official development assistance and that debt repayment by the poorest countries will never take precedence over the fulfilment of human needs and human rights.

23. Trade and cooperation with the European Union was enhanced with the entry into force on 1 March of the Framework Agreement for Cooperation. A European Union action plan for disaster recovery was presented to the External Affairs Ministers of Central America on 20 May at the fifteenth San José Ministerial Conference on political dialogue and economic cooperation, held in Bonn, Germany. Belize and the Dominican Republic attended as observers, while Colombia, Mexico and Venezuela were present as cooperating countries. The plan addresses the structural problems underlying the vulnerability of poor and marginalized populations to natural disasters. It also combines a commitment to sustainable development and social justice with further support for the consolidation of democracy, the rule of law and human rights.

24. On 28 and 29 May, Mexico hosted the thirteenth summit of the Rio Group, with Heads of State from Latin America and the Caribbean. Global financial turbulence, the acute socio-economic situation of the Central American countries and rapid multilateral disaster response for Central America dominated the agenda. One month later, on 28 and 29 June, the Rio Group met in Rio de Janeiro with representatives of the European Union. The results of the latter meeting are expressed in the Rio Declaration, which confirms shared principles and goals regarding trade integration as well as a mutual commitment to the full and unrestricted preservation of democratic institutions and to free, just and open electoral processes, emphasizing the importance of the participation of civil society.

25. The Central American Common Market held a fourth round of free-trade talks with Chile on 10 May. Trade and cooperation between Central America and the Caribbean was fortified by a series of high-level meetings, including the second summit of the Association of Caribbean States, held in the Dominican Republic from 16 to 18 April, and the nineteenth summit of the Caribbean Community and Common Market, which took place in Trinidad and Tobago from 3 to 7 July. The leaders made joint declarations on a range of issues of mutual concern, including trade, transportation, sustainable tourism and environmental protection in the Caribbean, and on coordinated responses to natural disasters. Finally, the Central American Governments have maintained their commitment to the agenda set forth in the Santiago Declaration of April 1998, with the goal of establishing a Free Trade Area of the Americas by 2005, through their participation in regular meetings of the nine negotiating groups.

Regional institution-building

26. Fundamental agreements on regional goals and institutional mechanisms for achieving them, including Esquipulas II (1987), the Tegucigalpa Protocol (1991) (A/46/829-S/23310, annex III), the Guácimo Declaration (1994) (A/49/340-S/1994/994, annex) and the Alliance for the Sustainable Development of Central America (1994) (A/49/580-S/1994/1217, annex I), through to the Antigua Declaration of 1999, are the basis for continuing efforts to build peace and foster development by means of regional integration. The evolving focus of presidential and ministerial summits, from ending violent conflict to consolidating democratic government and sustainable development, is testimony to the leadership and sacrifices of Governments and their peoples. At the twentieth summit of the Central American Presidents, to be held at the end of 1999, leaders will discuss efforts to rebuild and transform the areas devastated by Hurricane Mitch.

27. The reporting period has seen the further consolidation in the role of SICA, the Central American Economic Integration Secretariat and the Central American Economic Integration Bank. SICA was established in 1993 in accordance with the Tegucigalpa Protocol of 13 December 1991. The system of regional institutions was also expanded at that time to include the Central American Court of Justice. The Presidents agreed to meet at least once a year to make

strategic and political decisions on integration, while a Council of Ministers has operated as the main decision-making body on the integration of foreign affairs, economy, social affairs and the environment. The twelfth meeting of the Council of Integration Ministers took place in February in Guatemala, while the Vice-Ministers of Economy and Central American Trade held their seventeenth meeting in February and March. In May the Central American Ministers of Economy and External Affairs of the Central American Common Market signed a treaty on the resolution of commercial disputes, which will come into force upon ratification by the respective legislatures. In a related area of regional institution-building, the Central American Parliament has sought to enhance its role in the creation of regional norms to facilitate integration, to fully establish the Central American Court and to create a new institution to supervise budgetary matters of the Central American Union.

28. In 1994 the Central American Governments formed the Alliance for Sustainable Development (ALIDES), establishing priorities for regional strategies to promote respect for life, peace, democracy, human rights, ethnic diversity, economic integration and sustainable development. At the request of the General Assembly, the Secretary-General has reported on ALIDES every two years, and will submit a report during the current session. During the past year, the priorities of ALIDES have been advanced through a wide range of initiatives and meetings at various levels of government, encompassing the social sector, public finance and economic growth, environmental protection and sustainable development, and the strengthening of SICA and other regional institutions as a means of pursuing the goals of ALIDES.

Organization of American States

29. The Ministers of External Affairs of the Central American countries attended the twenty-ninth regular session of OAS in Guatemala City from 6 to 8 June. In the resolutions adopted by that organization's General Assembly there is an important commitment to continuing cooperation with the General Secretariat of SICA and an expression of satisfaction regarding activities in the areas of sustainable development, trade, tourism and democracy. The Assembly adopted a resolution regarding the ongoing mine-clearing programme in Central America, noting the setback to operations as a result of Hurricane Mitch and urging a redoubling of efforts. This objective had also been given renewed support with OAS participation in the Joint Declaration on the Elimination of Anti-personnel Landmines, signed by the Ministers of External Relations in the region on 12 and 13 April in Managua.

Bilateral issues

30. With regard to specific bilateral issues in the region, the Governments of El Salvador and Honduras announced plans in August for the final phase of demarcation of their shared border, in accordance with the Convention on Nationality and Acquired Rights and the 1992 decision of the International Court of Justice. Costa Rica and Nicaragua continued to explore mechanisms for constructive dialogue regarding the issue of transit rights on the San Juan River. In June, the lack of consensus on boundaries between Belize and Guatemala gave rise to a fatal incident that highlights the need for constructive dialogue to avoid repetition of such violence.

III. United Nations

United Nations in El Salvador

31. Following advances in the gradual implementation of the peace accords in El Salvador, in December 1996 the General Assembly entrusted the responsibilities of verification and good offices to a high-level envoy from Headquarters, Assistant Secretary-General Alvaro de Soto, with the assistance of a small unit in El Salvador (resolution 51/199 A of 17 December 1996). This support unit, initially approved until 30 June 1997, was thereafter reduced to a unit of two internationally recruited Professional staff within UNDP in El Salvador, and its mandate was extended (resolution 51/199 B of 31 July 1997 and decision 52/436) in order to follow up on pending issues of the peace accords, while the verification and good offices responsibilities of the Organization continued to be carried out by Headquarters. In my letter dated 7 August 1998 (A/52/1008), I informed the Assembly of the closure of this unit as from 30 June 1998 and proposed to entrust to UNDP the responsibility to follow up on the implementation of outstanding elements of the peace accords and to assist the Government of El Salvador to this end, in consultation with donors. This mechanism has since been adopted and has functioned quite satisfactorily, while Headquarters has continued to carry out verification and good offices functions.

32. With regard to the implementation process, in two successive reports, dated 15 December 1997 (A/52/731) and 7 August 1998 (A/52/1008), I advised the General Assembly

regarding four commitments in the socio-economic area that had encountered difficulties in implementation. I reported that the land transfer programme had advanced significantly and could be considered close to completion, owing to the active role played by the implementing agency, the Land Bank. Of greater concern was the human settlements programme, largely because of obstacles in the deed registration process by the land registry and prolonged delays in payments to property owners. The United Nations had complied with its commitment to investigate the 40 remaining properties allegedly in excess of the constitutional limit of 245 hectares, but the Salvadoran Institute for Agrarian Transformation still appeared reluctant to take action. Meanwhile, there was no change in the situation previously outlined in my report of 1 July 1997 (A/51/917) concerning the obstacles faced by relatives of deceased combatants in accessing the Fund for the Wounded and War-Disabled.

33. As at the date of the present report, both the land transfer programme and the human settlements programme have made significant advances. However, similar progress has not been noted since my last report regarding land in excess of the constitutional limit of 245 hectares. Cases still pending under each of these programmes are matters of particular concern to the United Nations, given the growing frustration of potential beneficiaries. Meanwhile, only minimal progress has been made in overcoming administrative obstacles faced by relatives of deceased combatants in gaining access to the Fund for the Wounded and War-Disabled, in full compliance with peace agreement commitments. In the light of the recent closure of the Land Bank, it is of great importance that an institutional framework be established that will allow for follow-up of these issues and their inclusion in the national development agenda.

34. National elections were held in El Salvador on 7 March, resulting in the election of President Francisco Guillermo Flores Pérez, who took office on 1 June. The electoral process was transparent and peaceful, although the low level of voter participation highlights the importance of reform, including legislative measures to modernize the electoral system. It is hoped that further steps will be taken to build upon the 1994 electoral reforms in order to overcome the current obstacles faced by voters, which contribute to high abstention levels.

35. Public security is one of the most critical challenges facing the new Government, which has prioritized the elaboration and implementation of a prevention policy as one of the mechanisms for responding to growing levels of delinquency. Actions in this area include the strengthening of the National Council for Public Security, recently confirmed by the new Government. It is my sincere wish that the role of the ombudsman will also be maintained and strengthened, as it constitutes a vital institutional pillar of the human rights agenda in the peace accords. It is hoped that these institutions, in conjunction with the National Civil Police, the judiciary and other State institutions and government ministries responsible for public security, will provide an increasingly consolidated institutional framework for addressing criminal activity while guaranteeing permanent respect for human rights and the rule of law, in accordance with the spirit of the peace accords, and building upon the foundation of earlier achievements.

36. The passage of Hurricane Mitch through El Salvador highlighted a series of vulnerabilities originating in pre-existing social, economic and political factors. With regard to women, for example, a UNDP analysis in January confirmed the relatively disadvantaged socio-economic position of female ex-combatants and landholders. As part of the recovery process, the United Nations system in El Salvador supported a broad dialogue initiated by the Government in relation to those vulnerabilities among the various actors at the local and national levels. The result was a commendable exercise in strengthening democratic and participatory mechanisms, which produced a national document submitted at the second meeting of the Consultative Group on Reconstruction and Transformation held in Stockholm in May. The principles of the Stockholm Declaration, adopted at the conclusion of the meeting, go far beyond short-term reconstruction to include integrally related processes such as the consolidation of democracy, human rights and the active participation of civil society in development. In this sense, the Consultative Group process represents a continuation of efforts to consolidate peace in El Salvador and to express the commitment in this direction of both the Government and the donor community.

37. The United Nations remains committed to this renewed process of peace-building in El Salvador. I continue to entrust UNDP with the responsibility of following up on the implementation of outstanding commitments of the peace accords and providing assistance to the Government of El Salvador to that end, in consultation with donor Governments. The common United Nations political and development approach will ensure an integration of pending issues within the peace-building agenda. While the United Nations resident coordinator, currently the UNDP resident representative, coordinates this effort in order to facilitate the continuity of the process, the verification and good offices functions of the Organization will continue to be carried out from Headquarters.

The peace process in Guatemala

38. Through its agencies and programmes, the United Nations has been supporting the peace process in Guatemala. Through MINUGUA, it has continued to verify the implementation of the comprehensive peace agreements undertaken by the Government of Guatemala and URNG in December 1996, and to provide good offices and advisory services. On 24 August 1998, I reported to the General Assembly (A/53/288) on progress in the implementation of the agreements and recommended no further modifications in the structure and staffing of MINUGUA than those adopted already under resolution 52/175 of 18 December 1997. By its resolution 53/93 of 7 December 1998, in response to my recommendation, the General Assembly extended the mandate from 1 January to 31 December 1999. Following the rejection of the constitutional reforms in the national referendum on 16 May, the Follow-up Commission, a body established under the peace agreements with the authority to reschedule the parties' commitments, has dedicated its attention to developing a viable peace agenda, which would enable the completion of the third phase of the timetable, in consultation with those sectors of civil society that are directly involved in the implementation process.

39. In 1998, there was a slowdown in the pace of implementation. In an attempt to reverse that trend, prior to the Consultative Group meeting in Brussels in October 1998, the Government and the Follow-up Commission agreed on a new schedule for the third phase of the timetable, covering the period from January 1998 to 2000. The established priorities include approval by Congress of constitutional reforms, adoption of a package of measures relating to the fiscal issues, advances on the land issue and progress in the reform of the justice system. I described the achievements and shortfalls of the first seven months of the third phase, January to July 1998, in my report of 28 September 1998 (A/53/421). Some progress was achieved with respect to fiscal policy, including the establishment of a commission mandated to foster consensus on a "fiscal pact" among social and political forces. Advances were also made on the agrarian situation through the innovative Land Trust Fund bill drafted by the Joint Commission on Land Rights of Indigenous Peoples.

40. With regard to constitutional reforms, on 16 October 1998 the Congress adopted a package of constitutional reforms incorporating the main elements of the Peace Agreements. In accordance with constitutional procedures, the Supreme Electoral Tribunal was then requested by Congress to organize a national referendum on the aforementioned reforms. This process was delayed by the state of national emergency declared in the aftermath of Hurricane Mitch and, subsequently, by several legal challenges filed with the Constitutional Court. On 16 May the national referendum took place, with verification by OAS, marked, however, by the abstention of 83 per cent of eligible voters. The vote resulted in a rejection of the reforms to the Constitution.

41. On 10 March I transmitted to the General Assembly the ninth report of MINUGUA on human rights (A/53/853), covering the period from 1 April to 31 December 1998. In that report, MINUGUA verified that the positive evolution of the human rights situation since the signing of the peace accords had come to a halt between July 1997 and December 1998. The information available to the Mission confirmed that serious violations, such as extrajudicial executions, threats and torture, had occurred and that there had been a disturbing escalation in social conflicts related to the exercise of freedom of association and labour problems and an alarming increase in lynchings and in the phenomenon known as "social cleansing". The Mission further indicated that, as far as the protection of human rights was concerned, persistent shortcomings in the system of public security and administration of justice had perpetuated impunity and undermined the effective exercise of the right to security of person and to due process of law. The Mission expressed particular concerns about the still unsolved murder of Monsignor Juan Gerardi Conedera in April 1998. The nature of the crime and the victim, the historical and political context in which he lived and the leading role that he played in the Project for the Recovery of Historical Memory, appear to point to the existence of a political motive.

42. In a public ceremony in Guatemala City on 25 February, the Commission for Historical Clarification submitted its report in accordance with the agreement on the establishment of the Commission to clarify past human rights violations and acts of violence that have caused the Guatemalan population to suffer (A/48/954-S/1994/751, annex II). On 23 April I addressed a letter to the President of the General Assembly (A/53/928) transmitting the executive summary, conclusions and recommendations of the report of the Commission for Historical Clarification. The specific recommendations formulated by the Commission are directed at promoting the implementation of the peace accords, encouraging peace and national harmony in Guatemala and, in particular, preserving the memory of the victims, fostering a culture of mutual respect and observance of human rights and strengthening the democratic process. The commissioners requested that, through MINUGUA, I lend my support to the implementation of the recommendations and the

achievement of their objectives. As part of my regular reporting to the Assembly on the implementation of the Guatemalan Peace Agreements, I will inform Member States of progress made in the implementation of the Clarification Commission's recommendations.

43. Significant achievements have been registered regarding the status of women. The Women's Forum has significantly increased women's political participation, becoming the main instrument for empowerment of women all over the country. In addition, the establishment in August of the Office for the Defence of Indigenous Women, in accordance with the terms of the Agreement on Identity and Rights of Indigenous Peoples, represents a step forward in improving the mechanisms for the protection of the rights of women and indigenous people.

44. Due to unforeseen delays in the scheduled timetable for the third verification phase (1998-2000) as set out in the Verification Timetable Agreement, the Follow-up Commission is currently reassessing the implementation schedule in full consultation with the social and political actors in Guatemala. It is in this context that the fourth verification report will shortly be submitted to the General Assembly on progress in the parties' compliance with the Agreements, covering the period between October 1998 and July 1999. The report will include an assessment of the evolution and trends of the peace process, as well as the Mission's recommendations for the new stage of implementation, after the election of a new Government in January 2000. I am also preparing to transmit to the Assembly my recommendation concerning renewal of the mandate of MINUGUA after 31 December 1999, taking into consideration the Follow-up Commission's revised timetable for implementation of the peace accords.

45. In connection with the current electoral process leading to general elections in November 1999, MINUGUA is verifying the observance of political rights in accordance with its mandate on the Comprehensive Agreement on Human Rights. The United Nations will coordinate with OAS and other international monitors in order to provide appropriate electoral observation on election days. I hope that with the support of the international community, the 1999 electoral process will serve to support the consolidation of democracy in Guatemala.

46. As I stressed on my visit to Guatemala on 21 and 22 July 1998, the road to peace is not without obstacles and difficulties. I reiterate my encouragement to the Government, URNG and all interested Guatemalans to persevere in implementing the peace agenda in order to make lasting peace a reality. The United Nations, through MINUGUA and the agencies and programmes of the United Nations system, remains committed to support them in reaching the ambitious objective of the Guatemalan peace process.

United Nations operational activities

47. In its resolution 49/21 I (20 December 1994), the General Assembly emphasized the need to design and implement a new programme of international cooperation for Central America based on the priorities laid down in the Declaration of Commitments adopted by the Follow-up Committee of the International Conference on Central American Refugees and ALIDES.

48. In response to the request of the Central American Governments submitted to the General Assembly in 1996, UNDP launched a new programme of subregional cooperation in Central America, including specific national components. The subregional programme concentrated on three main areas of action: peace and democratic governance, economic and social development and sustainable development of the environment. The programme was initiated with seed resources from UNDP, which were later supplemented by generous donations from a number of donors, including the Governments of Denmark, Italy, Japan, the Netherlands, Norway, Spain and Sweden, among others. Progress in those programmes is reviewed in detail in a separate report on ALIDES (A/54/350).

49. The UNDP regional project for democratic governance has worked with distinct sectors of society in promoting democratic governance and sustainable human development and capacity-building and in the facilitation of participation and transparency, in particular through the reconstruction and transformation process. At the national level, UNDP in El Salvador, Guatemala and Nicaragua continues to promote the consolidation of peace- and consensus-building around the difficult reforms needed to address the root causes of the Central American conflict.

50. UNDP also plays a significant role in preventing or minimizing future social conflict by facilitating the demobilization and integration of ex-combatants. This is very important in post-conflict societies such as El Salvador and Guatemala, where the demobilization of military forces has been linked to an increased incidence of violent crime. Similarly, the demobilization of armed forces (including both official forces and civilian patrols) can leave a power vacuum in the countryside, which, if not addressed, can develop into a situation of greater impunity in areas already accustomed to irregular application of the justice system.

UNDP has helped to fill this vacuum by accelerating the strengthening of the civilian police force and, in the case of Guatemala and Nicaragua, promoting pilot projects for the creation of "judicial centres" where citizens can find the police, the local judge and magistrates and legal assistance (including informal means of conflict resolution) in a single, highly visible spot.

51. Hurricane Mitch highlighted the need for more intensive efforts to reduce environmental vulnerability and to promote more sustainable development practices in the region. In January and February the Office for the Coordination of Humanitarian Assistance, UNDP, the United Nations Children's Fund (UNICEF), the World Health Organization (WHO) and the Pan American Health Organization (PAHO) undertook an inter-agency evaluation mission to analyse, along with Governments, donors, disaster managers and United Nations system partners, the actions taken during the emergency and to formulate guidelines to enhance preparedness for future emergencies. A group of experts from UNDP, the United Nations Environment Programme, ECLAC, PAHO and WHO have participated in an inter-agency technical committee providing technical assistance to the regional integration system. The result of this work was presented at the second Consultative Group meeting on the reconstruction and transformation of Central America, co-hosted by IDB and the Government of Sweden, held in Stockholm in May.

52. The devastation caused by Hurricane Mitch has been viewed by the Governments of the region and by SICA as an opportunity to further strengthen the support of the international community for the objectives of ALIDES. Recent consultations between SICA and the United Nations have focused on launching a new phase of more intense collaboration, building upon previous experiences and including development of new national and regional initiatives. UNDP is reviewing means of strengthening those programmes, in cooperation with its national and regional counterparts and with its United Nations and donor partners. In particular, it will work closely in the coming months to assist SICA and its counterparts in civil society to prepare for the upcoming IDB Consultative Group meeting on the regional aspects of the reconstruction and transformation of Central America, to be co-hosted by the Government of Spain and held in Madrid in 2000, as the best means of creating new partnerships in favour of the goals of ALIDES.

53. In addition to undertaking coordinated actions in response to Hurricane Mitch, agencies within the United Nations system continued to assist Governments in achieving diverse objectives that contribute to lasting peace and sustainable development. UNICEF has worked to implement legislation to protect children's rights in keeping with the Convention on the Rights of the Child. Within this framework, it has placed great emphasis on health and nutrition, access to education and reducing child labour. The United Nations Population Fund implemented programme objectives related to the conclusions of the Beijing and Cairo Plans of Action, including analysis of demographic trends and the promotion of education and reproductive health and family rights, as factors in the development of human capital, gender equity and the empowerment of women. The World Food Programme, in addition to being the first organization to respond to Hurricane Mitch with a massive emergency relief effort, has also focused on food programmes that promote community participation, employment and good governance, bridging the gap between emergency aid and longer-term development.

54. The Office of the United Nations High Commissioner for Human Rights has provided technical cooperation across Central America in addition to supporting activities focused on the fiftieth anniversary of the Universal Declaration of Human Rights. In Guatemala, where human rights training programmes are benefiting the Ombudsman's Office, the judiciary and the National Civil Police, the High Commissioner has appointed a special adviser to the resident coordinator for human rights issues. An office in El Salvador is providing similar assistance to the National Civil Police and the Public Security Academy, in addition to strengthening institutions dedicated to protecting the rights of women and children. Technical assistance for the reform of penitentiary systems has been provided in El Salvador, Honduras, Nicaragua and Panama.

55. In June the World Bank hosted in El Salvador the fourth annual Conference on Development in Latin America and the Caribbean, bringing together experts for three days from its own organization as well as IMF, IDB, ECLAC and the Organisation for Economic Cooperation and Development. In a document entitled "Behind the Washington consensus: institutional reform", the Bank confirmed that structural adjustment policies had not been sufficient to diminish poverty and improve the quality of life in the region; rather, those policies needed to be complemented by further institutional reform, including the areas of justice and education.

IV. Observations

56. The Central American Governments and their peoples continue to advance the cause of lasting peace, human rights, sustainable development and the rule of law. As we were

reminded by the statement of the Central American Governments to the General Assembly at its fifty-third session, in a region where once human rights were violated with impunity, in an environment dominated by the force of arms, there is now greater space for dialogue, supported by increasingly strengthened public institutions.

57. In this new stage of consolidating peace and democracy, however, one should not underestimate the difficulties faced by the Central American Governments, particularly in reconciling the imperatives of economic growth, stability and equity. Successfully balancing these needs is at the root of lasting peace. I have therefore noted with satisfaction the commitment of both Governments and the international community to pursue economic growth and sustainable development by building upon the foundation of the political and human rights agenda which is the inheritance of Esquipulas.

58. Progress has been made in those areas to the extent that Governments have not shied away from addressing complex, interrelated and contentious issues encompassing the structure of the State, judicial practices, electoral systems, land tenure, the rights of women and indigenous peoples and the participation of individuals and civil society groups in the decisions affecting their lives. As the Stockholm Declaration clearly expresses, the recovery process following Hurricane Mitch was seized upon by the Governments, their peoples and the international community as an opportunity to adopt a comprehensive approach to recovery and to transform the underlying structural problems that exacerbated the impact of this natural disaster.

59. The United Nations will continue to follow this process closely, with the hope that coordinated effort will be sustained. I commend the peoples and Governments of Central America for their determination and courage in responding to this crisis with a capacity that was that much greater as a result of the remarkable gains in the consolidation of peace in the region since 1983. Only by solving the political, economic, social and environmental problems that are the cause of the tensions, vulnerability and conflicts in society will it be possible to avoid a reversal of what has been achieved so far and to guarantee a firm and lasting peace in Central America. In this regard, it is also my profound hope that the alarming levels of social and criminal violence will continue to be addressed by Governments through strengthened civilian police, more efficient judicial systems, independent ombudsmen and permanent respect for human rights and the rule of law.

60. For its part, the international community has shown a willingness to reduce the crushing weight of external debt significantly and to provide emergency and long-term aid in order to create the conditions necessary for reconstruction and sustainable transformation. I strongly support the efforts of the lending institutions to effectively link debt relief and official assistance with urgently needed public spending for poverty alleviation and the strengthening of public institutions that aspire to guarantee respect for human rights, democratic governance, transparency, participation and the rule of law.

61. I would like to once again express my solidarity, and that of the entire United Nations system, with the peoples of Central America in their efforts to write a new chapter in their respective histories. Their struggles, sacrifices and successes have taught and inspired the world. We will look to donors and international financial institutions to continue to do their utmost to promote the fundamental transition from aid to sustainable development. And we will do our best to ensure that the United Nations family speaks with a unified voice, assisting Governments in the ongoing challenge of building lasting peace, democracy and the rule of law in the region.